

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA
Court File No. 11-CV-03267 (DSD/FLN)

In the Matter of the Petition of

Wells Fargo Bank, N.A.;

in Relation to Certificate of Title
No. 59023 issued for land in the
County of Washington and State of
Minnesota and legally described as
follows:

The East One hundred forty-five (145) feet
of the South Eighty-six and twenty-five
hundredths (86.25) feet of Lot Fourteen
(14), COUNTY AUDITOR'S PLAT
NUMBER 1, as surveyed and platted and
now on file and of record in the office of
the Registrar of Titles of Washington
County, Minnesota,

Petitioner,

v.

Laurie A. Hayes, USAA Federal
Savings Bank, United States of
America (United States Department
of Treasury - Internal Revenue
Service), and Parties in Possession
of the Premises,

Respondents.

**ANSWER OF RESPONDENT
UNITED STATES OF AMERICA
(UNITED STATES
DEPARTMENT OF TREASURY -
INTERNAL REVENUE
SERVICE)**

Now comes the respondent, United States of America (United States Department of
Treasury - Internal Revenue Service), (hereinafter "United States"), by its attorneys B. Todd
Jones, the United States Attorney for the State and District of Minnesota, and Roylene A.

Champeaux, Assistant United States Attorney, and for its Answer denies all allegations in the Petition except as specifically admitted herein.

1. The United States has insufficient knowledge or information to admit or deny the allegations contained in paragraphs 1 and 2 of the Petition and accordingly puts petitioner to its strict proof.

2. The United States has insufficient knowledge or information to admit or deny the allegations contained in paragraphs 3, 3.a., 3.b., 3.c. and 3.d. of the Petition and accordingly puts petitioner to its strict proof.

3. In answering paragraph 4 of the Petition, the United States admits the allegations and affirmatively asserts that the United States claims an interest in the subject property by virtue of a federal tax lien. The United States affirmatively asserts that the IRS filed a federal tax lien with the Washington County Recorder, State of Minnesota, against Timothy F. & Laurie R. Hayes as follows:

TAX PERIOD	DATE TAX ASSESSED	DATE RECORDED	DOCUMENT NUMBER	UNPAID BALANCE AS OF 11/7/11
12/31/2007	01/04/2010	05/26/2010	3792968	\$16,729.26
12/31/2008	11/16/2009	05/26/2010	3792968	\$23,811.11
TOTAL				\$40,540.37

Said federal tax lien will continue to accrue interest and penalties as provided by Title 26, United States Code, Section 6601 and Section 6651(a)(2)

4. The United States has insufficient knowledge or information to admit or deny the allegations contained in paragraph 5 of the Petition and accordingly puts petitioner to its strict proof.

5. In answering the allegations contained in paragraph 6, 6.a., and 6.b. the United States admits that the federal tax lien has been partially released as shown on Exhibit C to the Petition. The United States denies that there are two separate tax liens but admits that there are two separate assessment dates for 2006 and both have been released as to Laurie R. Hayes.

6. In answering the allegations contained in paragraph 7 of the Petition the United States admits and affirmatively asserts that the release of the 2006 tax lien did release all of the federal taxes owed by Laurie R. Hayes for the period ending 12/31/06, assessed on 5/28/2007 and 3/23/2009 for an unpaid balance of \$5,205.87. The United States denies that tax period ending 12/31/06 and assessed 3/23/09 has a balance of \$12,694.51. The United States asserts that the IRS Notice of tax lien lists three dollar amounts in Column (f) - Unpaid Balance. In this Unpaid Balance column the first dollar amount of \$5,205.87 relates to the amount of assessed IRS debt for tax year 2006; the second dollar amount of \$12,694.51 relates to the amount of assessed IRS debt for tax year ending 2007; and the third dollar amount of \$17,008.10 relates to the amount of assessed IRS debt for tax year ending 2008. The United States submits that when the document was electronically transmitted to the County Recorder through the Secretary of State the dollar amounts did not line up properly.

7. The United States has insufficient knowledge or information to admit or deny the allegations contained in paragraphs 8 and 9 of the Petition and accordingly puts petitioner to its strict proof.

8. In answering the allegation contained in paragraph 10 of the Petition the United States denies that petitioner's New Mortgage should be equitably subrogated to the priority position of the Old Mortgage. As to the remaining allegations the United States has insufficient knowledge or information to admit or deny those allegations and accordingly puts petitioner to its strict proof.

9. The United States denies the allegations contained in paragraphs 11 and 12 of the Petition.

DEFENSES

1. The petitioner has failed to state a claim with respect to the United States for which relief can be granted.

2. The United States has not waived its sovereign immunity, therefore, this Court only has jurisdiction as provided pursuant to 28 U.S.C. § 2410.

3. The United States objects to the release of any lien of the United States.

WHEREFORE, the United States of America prays for the following relief:

1. The Court recognize the federal tax lien filed with the Washington County Recorder, State of Minnesota against Timothy F. and Laurie R. Hayes as Document Number 3792968 as a good, valid and subsisting lien against the subject real property identified in the Petition;

2. The Court recognize and protect the federal tax lien of the United States of America as being prior and superior to all right, interest, or lien claimed by petitioner in the subject real estate;

3. The Court deny petitioner's request for an order directing the Registrar of Titles to file an Order of Priority on Certificate of Title No. 59023 stating the petitioner's New Mortgage is prior and superior in interest to the federal tax lien interest; and

4. The United States of America be granted such further relief as this Court deems just and proper.

Respectfully submitted,

Dated: November 10, 2011

B. TODD JONES
United States Attorney

s/ Roylene A. Champeaux

BY: ROYLENE A. CHAMPEAUX
Assistant United States Attorney
Attorney ID Number 154805
Email: Roylene.Champeaux@usdoj.gov
600 United States Courthouse
300 South Fourth Street
Minneapolis, MN 55415
(612) 664-5685

Attorneys for the Respondent
United States of America (United States
Department of Treasury - Internal
Revenue Service)